

# Oxfordshire Pulse

## Q1 2025 | Hiring Challenges, Market Trends & Salary Insights



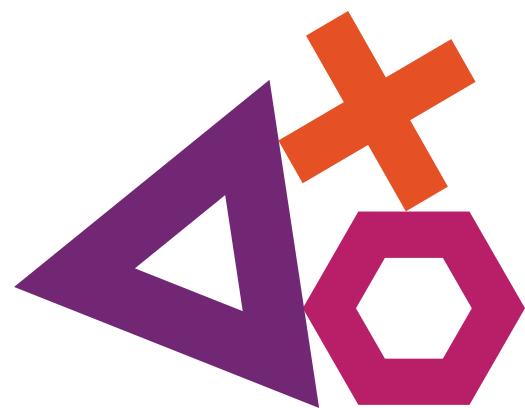
## Introduction & Methodology

The Oxfordshire job market remains highly competitive in 2025, with businesses balancing recruitment needs against economic uncertainty, rising operational costs, and evolving employee expectations. Insights from the latest Oxfordshire Pulse Survey provide a comprehensive overview of the challenges, trends, and investment priorities shaping the region's hiring landscape.

To ensure data reliability, our Oxfordshire Pulse Survey followed best practice for survey research, including:

- **Survey Audience**  
Participants were exclusively Oxfordshire-based employers and hiring professionals.
- **Data Collection**  
Responses were gathered through online questionnaires distributed via email and LinkedIn to our recruitment network.
- **Survey Period**  
Data was collected over a four-week period from January to February 2025.
- **Sample Size & Representation**  
Over 50 businesses participated, ensuring a diverse representation of industries and company sizes.
- **Question Structure**  
The survey comprised both multiple-choice and open-ended questions to capture qualitative and quantitative insights.

Our goal is to build on this sentiment research to provide a pulse on Oxfordshire's hiring landscape, reflecting what businesses are planning now and in the future.



## 01

## Business Challenges & Market Trends

Oxford-based businesses continue to experience skills shortages, economic uncertainty, and budget constraints, with **83%** actively recruiting but struggling to attract high-quality talent.

### Key Trends Influencing Hiring Strategies:

- **Labour Market Regulations**  
Changes in employment law, compliance requirements, and workforce policies are affecting hiring decisions. Employers are increasingly seeking guidance on regulatory shifts and fair pay structures.
- **Employee Wellbeing & Mental Health Initiatives**  
With rising burnout and stress levels, companies are prioritising mental health benefits, flexible working arrangements, and improved workplace culture to enhance retention.
- **Cost Pressures**  
Inflation and National Insurance contribution increases have led to more cautious hiring strategies, with businesses re-evaluating salary budgets and benefits packages.

### What This Means for Employers:

- Employers must be proactive in workforce planning, ensuring that they have the right hiring strategies in place.
- Investing in flexible workforce solutions, such as temporary and contract staffing, can help businesses remain agile in an unpredictable economic climate.
- Salary benchmarking and structured career progression will be essential to retaining top talent in a competitive market.



02

## Recruitment & Hiring Trends

Oxford's recruitment landscape remains candidate-driven, with employers competing for specialist talent in key areas such as HR, Finance, Marketing, and Administration.

### Key Hiring Challenges:

- **Attracting High-Quality Candidates**  
The biggest obstacle for employers, cited by **43% of respondents**, is finding skilled professionals who align with their business needs.
- **Budget Constraints**  
**34% of businesses** reported that salary pressures and recruitment costs are limiting their ability to hire.
- **Temporary Hiring Outlook**  
Businesses rated the likelihood of hiring temporary staff at **2.98 out of 5**, indicating moderate but growing demand for interim hiring solutions.
- **Candidate Expectations**  
Higher salary demands (**57%**) and career progression opportunities (**21%**) remain top priorities for job seekers.

### Employer Takeaways:

- **Focus on Employer Branding**  
Position your business as an attractive employer by highlighting flexibility, professional development, and a strong workplace culture.
- **Leverage Temporary Staffing Solutions**  
Budget constraints limiting permanent hires? Fill skills gaps quickly with temp or temp-to-perm employees.
- **Offer Competitive Salaries & Benefits**  
Salary transparency, enhanced benefits, and career progression opportunities will be crucial in securing top-tier talent.



03

## Investment Priorities & Technology Adoption

Despite economic challenges, businesses are still investing strategically to drive growth, particularly in technology, recruitment, and employee wellbeing.

### Top Areas of Investment in 2025:

- **Technology & Innovation (38%)**  
Companies are automating processes, adopting AI-driven hiring tools, and enhancing digital recruitment strategies.
- **Recruitment (28%)**  
Businesses are refining their hiring processes, working with recruitment specialists, and improving employer branding.
- **Employee Benefits & Wellbeing (13%)**  
Increased focus on mental health, flexible working, and financial incentives to improve employee satisfaction and retention.

### AI & Automation in Recruitment:

- **51% of businesses** have no plans to increase AI or automation in hiring.
- **32% of businesses** are actively exploring AI-driven solutions to improve candidate sourcing, screening, and onboarding.
- **AI-powered CV screening tools**, automated interview scheduling, and workforce analytics are becoming key differentiators in the recruitment process.

### How Employers Can Stay Competitive:

- **Adopt HR Tech Where It Adds Value:**  
Use automation to streamline hiring processes while maintaining a personalised recruitment experience.
- **Partner with Specialist Recruiters:**  
Gain access to deep market insights and top-tier candidates efficiently.
- **Prioritise Employee Wellbeing Investments:**  
Attractive benefits packages and flexible working policies will set businesses apart.



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## Investment Priorities & Technology Adoption

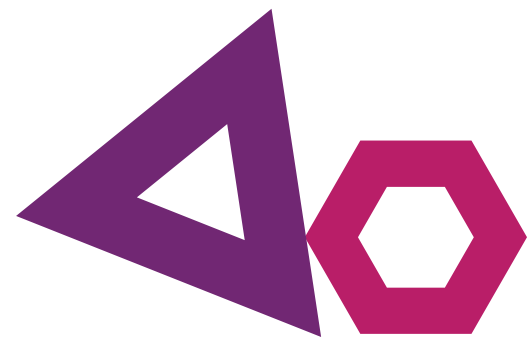
Turnover remains a key concern for employers, with **53% of businesses expecting no change**, while **17% anticipate an increase in staff attrition**.

### Workforce Retention Strategies:

- **Enhancing Career Development Opportunities:**  
Lack of career growth is a top reason employees consider leaving. Offer upskilling, mentorship programmes, and clear progression pathways.
- **Flexible Work Arrangements**  
Hybrid working, compressed hours, or job-sharing models will help retain top talent.
- **Diversity & Inclusion (D&I) Initiatives**  
While **72% of businesses** acknowledge D&I as important, only **26%** have it as a core priority, showing room for improvement.

### How to Strengthen Workforce Planning:

- **Refine Workforce Strategies**  
Align business objectives with hiring forecasts to ensure strong and adaptable talent pipelines.
- **Expand Diversity & Inclusion Efforts**  
Create inclusive hiring policies to widen candidate pools and improve employee retention.
- **Offer Competitive Salaries & Benefits**  
Salary benchmarking remains one of the most requested services from employers.



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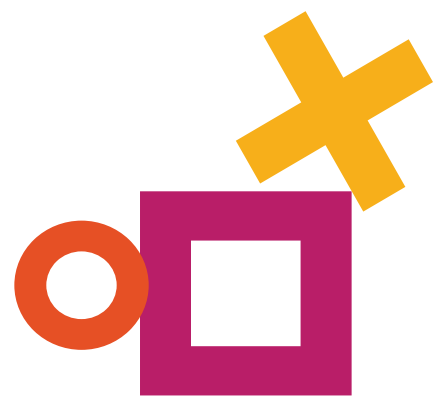
## Employer Expectations from a Recruitment Partner

When choosing a recruitment agency, the main priorities for participating businesses are:

- **Access to Specialised Talent Pools (30%)**
- **Improved Candidate Fit (30%)**
- **Market Insights & Salary Benchmarking (25%)**

### How Allen Associates Supports Employers:

- **Data-Driven Recruitment Strategies**  
Providing real-time salary insights and hiring trends.
- **Pre-Vetted Talent Pools**  
Connecting businesses with specialist candidates who are ready to make an impact.
- **Consultative Approach**  
Offering tailored recruitment solutions that streamline hiring and retention strategies.



# Final Thoughts & Recommendations

## Key Takeaways for Employers

- **Focus on hiring flexibility**  
Temporary staffing and temp-to-perm solutions can help manage budget constraints.
- **Stay ahead of salary trends**  
Benchmarking salaries ensures you remain competitive.
- **Enhance workforce retention efforts**  
Career progression, wellbeing initiatives, and hybrid work policies will be key in 2025.
- **Embrace recruitment technology**  
AI and automation can optimise hiring, but human expertise remains essential.

For tailored recruitment solutions, contact **Allen Associates** today:

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 **01865 335600**

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